



# Department of Justice

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## FORMER DAIRY COMPANY OFFICIAL INDICTED IN MILK PROBE

WASHINGTON, D.C. -- The Department of Justice announced today the indictment of a Virginia man on charges of perjury and obstruction of justice relating to an antitrust investigation of milk bid rigging allegations.

Assistant Attorney General James F. Rill, head of the Antitrust Division, said a grand jury in U.S. District Court in Norfolk indicted Joseph C. Hughes of Chesapeake Thursday.

Hughes, general manager of Birtcherd Dairy Inc. from 1973 through 1986, was charged with knowingly making false, material declarations, a violation of 18 USC, Sec. 1623, and corruptly, knowingly and willfully endeavoring to influence, obstruct or impede the due administration of justice, a violation of 18 USC, Sec. 1503, when testifying before a federal grand jury May 7, 1987.

Rill said the charges stemmed from grand jury investigations conducted by the division's Litigation I Section in Washington of collusive practices by dairy products suppliers in Virginia and North Carolina.

If convicted, Hughes faces a maximum sentence of five years

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in prison and a \$10,000 fine on the perjury charge and up to five years in prison and a \$5,000 fine for obstruction of justice.

The Antitrust Division has filed 45 criminal cases against 21 corporations and 34 individuals involved in milk bid rigging conspiracies. This case is the first perjury and obstruction of justice case brought involving milk conspiracies.

To date, 18 corporations and 27 individuals have been convicted. Total fines and civil damages are in excess of \$26.9 million. Some 23 grand juries in 18 states, including Virginia and North Carolina, are investigating the milk industry.

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